ABSTRACT OF THE DISCLOSURE

A system and process for a potential borrower to ascertain the likelihood that the borrower will qualify for a mortgage loan online in real time, and to apply for and obtain a loan that is priced to reflect the individual borrower's specific financial and other relevant characteristics. System software evaluates borrower information submitted to the loan originator electronically in real time to make the determination, before the actual loan application is submitted and without the need to obtain a credit report or a collateral appraisal, how likely it is that the potential borrower's loan application will be approved. If the borrower chooses to apply for a loan, the system underwrites the loan and calculates interest rates and points based on the specific financial profile and other relevant characteristics of the particular borrower, and also on the credit risk associated with the borrower. During underwriting, the system makes automatic assessments of underlying collateral based, in part, on historical data stored in a database concerning the collateral, and recommends either an appraisal with an interior and exterior inspection, an appraisal with an exterior-only inspection or no appraisal. The risk associated with not performing an appraisal is factored into the loan pricing as a per loan adjustment to the interest rate. Also, closing costs may be aggregated with the loan principal. Additionally, the system and process calculate the price that the loan originator may expect to receive in the secondary loan market when it sells an individual loan to the secondary mortgage market purchaser.